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Congressman Dent calls for accountability of revenue from offshore drilling contracts

WASHINGTON, D.C. — U.S. Rep. Charlie Dent (PA-15), a member of the House Government Reform Committee, today demanded answers from the Department of Interior in an ongoing investigation of billions of dollars in missing federal revenues from offshore drilling contracts in the late 1990s.

In a hearing held by the Subcommittee on Energy and Resources, Congressman Dent gave an opening statement and asked questions of Interior Department Inspector General Devaney. Congressman Dent called on the Department of Interior to better explain the absence of price thresholds in deepwater leases between the Department of the Interior and various oil and natural gas companies during 1998 and 1999. Congressman Dent classified this as a “costly error.”

“Because of a gross mistake in deepwater leases during these years, the U.S. Government Accountability Office estimates a loss upwards of \$10 billion in revenue over the life of the leases,” Congressman Dent said. “As Americans continue to realize high prices at the pump, oil and natural gas companies have experienced the luxury to preclude themselves from royalty payments for 1,100 deepwater leases.”

Congressman Dent recently sent a letter to Interior Secretary Kempthorne on the matter, in which the Congressman expressed concern that “this costly error ultimately falls to the American people.”

Wednesday’s hearing was the fourth in the Government Reform committee’s investigation.

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